



Analytical Summary Based Upon Index of 62d Congress

Showing That Committees Become Clogged
With Duplicated Legislation Needlessly
Introduced During Session.

The Sixty-second Congress during its extra and regular sessions ending Aug. 26 had 35,638 bills and resolutions under its consideration or referred to committees. The total of proposed and possible legislation was divided as follows:

Senate bills	7,501
Senate resolutions	388
Senate joint resolutions	130
Senate concurrent resolutions	30
	8,049
House bills	26,453
House resolutions	709
House joint resolutions	362
House concurrent resolutions	65
	27,589
Total	35,638

Careful scrutiny of this enormous mass of proposed legislation, by title and committee reference, has provided a basis for certain conclusions.

First: It is impossible for a Congressman to comply with the public demand that he shall know the merits of all legislation on which he votes. An illustration of this is found in the "Act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911. Thirteen amendments, introduced by various Senators and Representatives from nearly as many States, became law during the session just ended, thus demonstrating the defective character of the bill affecting the judiciary, yet voted for by individual Congressmen under the guidance of committee reports. There are over forty other amendments of the same act still in committees.

Second: Committee references vary in relation to subjects of similar import in the same branch, and thus show that a fixed rule is lacking. There are many illustrations of this, causing difficulty in following legislation through.

Third: There is a marked lack of teamwork arising from the unwise public standard which tends to measure a man's value in Congress by the lines he fills in the Record and its index. Congressmen too frequently introduce duplicated measures. In the session just ended three Senators introduced measures permitting the Order of Owls to establish a sanatorium on public land. More than a score of measures were introduced relative to national highways. These illustrations are typical of many that result in clogging committees with numerous variants of the same idea, instead of aiding committee consideration by the introduction of one carefully elaborated measure dealing with one subject conclusively. The confusion in the roads matter was temporarily met by the appointment of a joint commission on public highways.

Fourth: The vast majority of bills in both Senate and House refer to the granting of a pension to an individual, or to the increase of an individual pension, or to granting relief (usually referred to the Committee on Claims), or to correcting military records, as an antecedent to granting an individual pension. These mount up into thousands and are introduced by some active Senators and Representatives in bunches. Under present methods these private bills take serial numbers in the same list with general legislation, so that it becomes an almost impossible task for the general public to pick out important unfinished legislation in the index of the Congressional Record. The following extract from the Index illustrates this point:

S. 7366—Granting a pension to Louisa Cross. Mr. Ashurst; Committee on Pensions, 9585.
S. 7367—For the relief of William A. Puccini. Mr. Paynter; Committee on Military Affairs, 9587.
S. 7368—Granting an increase of pension to Otto Weber. Mr. Sutherland; Committee on Pensions, 9678.
S. 7369—Granting an increase of pension to Annie Shannon. Mr. Crawford; Committee on Pensions, 9678.
S. 7370—For the relief of Kate D. Augur, widow of Jacob A. Augur, and others. Mr. Briggs; Committee on Claims, 9678.
S. 7371—To provide the manner of determining the compensation of railroad men for the loss of the mails. Mr. Bourne; Committee on Post-offices and Post Roads, 9678.
S. 7372—Granting a pension to Edwin B. Wright. Mr. McLean; Committee on Pensions, 9678.
S. 7373—Granting an increase of pension to Ellen M. Banning. Mr. Lean; Committee on Pensions, 9678.

S. 7374—Granting an increase of pension to C. W. Goff. Mr. Root; Committee on Pensions, 9678.
S. 7375—For the relief of Owen S. Willey. Mr. Penrose; Committee on Naval Affairs, 9678.
S. 7376—Granting an increase of pension to William H. Frederick. Mr. Payne; Committee on Pensions, 9678.

In the above list, S. 7371 affects the value of every mile of railroad engaged in the transportation of mails. The bills listed with it are purely personal.

Fifth: Change would seem to be advantageous in a fuller description of proposed legislation by the title of the bill. Under a simple and non-explanatory title may be an act of far-reaching consequence. A case in point is S. 5309, the complete index of which is here given:

S. 5309—To amend section 3 of the Act of Congress approved May 14, 1880 (21 Stat. L. p. 140). Mr. Smoot; Committee on Public Lands, 2042—Reported with amendment (S. Rep. 453), 2701—Amended, and passed Senate, April, 1912. Referred to House Committee on Public Lands, 501—Reported and passed House, 2826, 9527—Senate concurred in House amendments, 3933—Examined and passed, 1904—Approved by the President (Public No. 258), 10554.

In this grouping of abbreviations and page references to the Congressional Record is involved a law affecting the rights of a great number of homesteaders. It is here included:

An Act to amend section three of the Act of Congress approved May 14, 1880 (Twenty-first statutes at large, page 140).

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That section three of the Act of Congress approved May 14, 1880 (Twenty-first statutes at large, page 140), be and the same is hereby amended by adding thereto the following:

Provided, That any settled upon lands designated by the Secretary of the Interior as being suitable for homesteads under the five of the enlarged homestead Acts of February 19, 1909, and June 17, 1910, shall be entitled to the preference right of entry accorded by this section, provided we have no objection to the extension of such lands claimed as homesteads, and provided further, That after the designation by the Secretary of the Interior of public lands for entry under the nonresidence provisions of the enlarged homestead Acts of February 19, 1909, and June 17, 1910, any person so claiming may file a claim for homestead under the provisions of law and made valuable improvements thereon shall have a preference right to enter the lands so claimed and improved at any time within three years from the date on which such improvements are made, and provided further, that the enlarged homestead Acts shall annually cultivate and improve his lands in the form and manner and to the extent therein required following date of filing of his claim hereunder.

Approved, August 3, 1912.

Sixth: Since legislative activity will increase instead of decrease relative to matters of prime national importance, it would seem expedient to have a nonpartisan study made immediately regarding better methods of expediting the nation's business.

Three changes of method are indicated.

(a) Need exists for a national legislative bureau, fully equipped to aid both Congress and the public to a clear understanding of all legislation as it is introduced and progresses or dies.

(b) Private relief and pension bills should have distinct serial numbers from those assigned to measures of public import. They would thus fall into separate groups in the semi-monthly and final indexes of the Congressional Record.

(c) The change most helpful to the public would be for each committee of both Senate and House to supply for the final Congressional Record index of each session of Congress a complete list of all bills still in the hands of the committee.

BILLS PASSED BY CONGRESS DURING LAST SESSION

Approximately 350 measures became law during the second session of the Sixty-second Congress. They are roughly grouped below, with occasional comments, as, for instance, under "District of Columbia" and "Dams."

Appropriations.

December 21, 1911—Members' December salaries.

December 21, 1911—Employees' December salaries.

December 22, 1911—Deficiency bill.

March 12, 1912—Senate contingent expenses.

April 21, 1912—Diplomatic and Consular Service.

May 11, 1912—New pension bill.

May 30, 1912—Congress contingent expenses.

June 6, 1912—Work of defense.

June 26, 1912—District of Columbia.

July 1, 1912—Extending year's appropriations.

July 8, 1912—Militia encampments.

August 1, 1912—Extending year's appropriations.

August 19, 1912—Military Academy.

August 10, 1912—Department of Agriculture.

August 15, 1912—Extending year's appropriations.

August 17, 1912—Regular pension bill.

August 22, 1912—Naval service and Academy.

August 29, 1912—Legislative, executive, and judicial.

August 24, 1912—Employee August salaries.

August 24, 1912—Sundry civil expenses.

August 24, 1912—Post-office.

August 24, 1912—Bureau of Indian Affairs.

August 24, 1912—Army bill.

August 26, 1912—Deficiency bill.

Judiciary.

Thirteen separate bills, seven from the Senate and six from the House—were passed during the last session, all amending the "Act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911. Nine of these bills provided for a division into judicial districts of New Hampshire, New Jersey, Vermont, Mississippi, Missouri, Rhode Island, West Virginia, and Tennessee. Five other bills were passed for the following: The division of the Southern Judiciary District of Texas, for terms of court at Corpus Christi and for a clerk for said court; the fixing of terms of the District Court for the Western District of Michigan; the transfer of certain cases at the circuit courts from the middle district of Alabama; the amending of a section of the Revised Statutes of the United States which deals with the return of writs of error to the Supreme Court or a Circuit Court of Appeals; and repealing "An act to regulate the trials of judgment and decree of the courts of the United States to take effect on and after January 1, 1912."

International Congresses.

Authorizing the Fifteenth International Congress on Hygiene and Demography to meet in temporary structures erected by the American Red Cross, and to erect permanent structures in Potowmack, Washington, D. C. (S. J. R. 27, Public No. 36.)

Requesting the President of the United States to direct the Secretary of State to issue invitations to foreign governments to participate in the Fourth International Congress on School Hygiene (H. R. 2326, Public No. 52.)

Making provision for the Fifth International Congress of Chambers of Commerce and Commercial and Industrial Associations. (S. J. Res. 72, Public No. 35.)

Proposing an international maritime conference. (H. J. Res. 299, Public No. 39.)

Agriculture.

Authorizing the Director of the Census to collect and publish statistics of cotton. (H. R. 4943, Public No. 237.)

Authorizing the Secretary of Agriculture to issue certain reports relating to cotton. (H. R. 1489, Public No. 527.)

Authorizing a commission to investigate the purchase of American-grown tobacco by the governments of foreign countries. (S. 749, Public No. 324.)

Making appropriation to be used in exterminating the army worm. (H. J. R. 340, Public R. No. 44.)

Authorizing Federal bureaus doing hygienic and demographic work to participate in the exhibition to be held in connection with the Fifteenth International Congress on Hygiene and Demography.

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THE NATION'S BUSINESS

PUBLISHED BY THE

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"The Nation's Business" is the organ of the Chamber of Commerce of the United States of America, and is prepared for the use of editorial writers, commercial organizations, and the counsellors of constituent members.

"The Nation's Business" will gather for the use of newspapers and organizations, current information regarding the development of the nation. Every reader is therefore invited to be a correspondent regarding local, State, or national facts of agriculture, mining, manufacturing, transportation, distribution, finance, education, the professions, the government, and altruism.

Names of those other than editors, organizations, or counsellors who desire to receive "The Nation's Business" regularly will be registered at the rate of

Five cents a copy, or \$1.00 for 20 consecutive issues.

MONDAY, OCTOBER 21, 1912.

TO EDITORS:

Nothing in this or any other issue of The Nation's Business is copyrighted. It is all at the disposal of editors—credit preferred. The analysis of legislation in this issue calls for the scrutiny of 35,000 items.

NEW MEMBERS.

The following organizations have been elected to membership in the Chamber of Commerce of the United States of America since the last issue of The Nation's Business:

	440	33	723	25	300	420	45	750	145	16	880	1,600	1,800	317	22	75	150	200	300	413	93	180
Alton Board of Trade, Alton, Ill.																						
Knife Goods Manufacturers' Association, Utica, N. Y.																						
Commercial Club of Grand Forks, N. D.																						
Greater Des Moines Committee, Iowa																						
Bismarck Board of Trade, N. Dak.																						
Commercial Club of Joplin, Mo.																						
Young Men's Business Club, Springfield, Mo.																						
Jobbers and Manufacturers' Association, St. Louis, Mo.																						
Chamber of Commerce, Inc., of Sacramento, Cal.																						
Title Manufacturers' Credit Association, Beaver Falls, Pa.																						
Commercial Club, Kansas City, Mo.																						
Chamber of Commerce, Philadelphia, Pa.																						
Mercantile Club, Kansas City, Kans.																						
Commercial Club, Tulsa, Okla.																						
Industrial Association, Topeka, Kans.																						
Commercial Club, Arkansas City, Kans.																						
Commercial Club, Fremont, Neb.																						
Commercial Club, Joplin, Mo.																						
Commercial Club, Council Bluffs, Iowa																						
Commercial Club, Sioux City, Iowa																						
National Machine Tool Builders' Association, Cleveland, Ohio																						
National Association of Automobile Manufacturers, New York, N. Y.																						
Puerto Rico Association, San Juan, Porto Rico																						

All commercial organizations should consider membership at the earliest possible moment, in order to be in line with delegates at the first annual meeting to begin in Washington, Tuesday, January 21, 1913.

REPRESENTATION AND DUES.

Each association shall be entitled to one delegate for the first twenty-five members and to one additional delegate for each additional two hundred members, but no association shall be entitled to more than ten delegates. Each association shall pay annual dues in accordance with the provisions of Article IV.

EXTRACT FROM ARTICLE IV OF THE BY-LAWS.

Section 1. The annual dues of each constituent member of this Chamber shall be payable to the Secretary on the date of acceptance or election of the member, and thereafter annually on the scheduled annual income from membership fees, plus an additional amount of one per cent of the annual income received, provided, however, that no member shall pay annual dues of less than \$10 or more than \$700.

Section 2. For convenience in fixing dues on the basis set forth in the following section, and in order that computation may be more easily made, members shall be divided into classes and pay dues as follows:

CLASS	INCOME	DUES	CLASS	INCOME	DUES
A	\$2,000 or less	\$100	M	\$20,001 to \$25,000	\$125
B	\$2,001 to 4,000	15.00	N	\$25,001 to \$30,000	20.00
C	3,001 to 4,000	20.00	O	30,001 to 35,000	25.00
D	4,001 to 6,000	30.00	P	35,001 to 40,000	200.00
E	6,001 to 8,000	40.00	Q	40,001 to 45,000	225.00
F	8,001 to 10,000	50.00	R	45,001 to 50,000	250.00
G	10,001 to 12,000	60.00	S	50,001 to 60,000	300.00
H	12,001 to 14,000	70.00	T	60,001 to 80,000	400.00
I	14,001 to 16,000	80.00	U	80,001 to 100,000	500.00
K	16,001 to 18,000	90.00	V	100,001 to 120,000	600.00
L	18,001 to 20,000	100.00	W	120,001 or more	700.00

Section 3. The income from membership fees in each organization shall be based on the scheduled individual fee multiplied by the number of members in the organization.

NEW DIRECTORS.

At the Boston meeting of the directors of the Chamber of Commerce of the United States the resignations of Bernard N. Baker, of Baltimore, and L. H. Kempner, of Galveston, were accepted.

In their places, and to fill out their unexpired terms, Willoughby McCormick, of Baltimore, and T. L. L. Temple, of Texarkana, were elected. Both have accepted. Their pictures and biographical notes will be found elsewhere in this issue.

DIRECTORS' MEETING.

The next meeting of the directors of the Chamber of Commerce of the United States of America will be held in Chicago November 19.

A letter has been received from Mr. Kimball, President of the Chicago Association of Commerce, stating that his organization desires to make the national Chamber the subject of its annual dinner and give that dinner in honor of the Chamber and to have its board of directors present on the occasion, together with the presidents of some other of the larger commercial bodies of the country.

LET ALL SECRETARIES READ.

The following letter indicates the feeling of M. B. Trezevant, the newly elected president of the American Association of Commercial Executives:

New Orleans, October 15, 1912.

Gentlemen—As advised in my monthly report of the 10th instant, I wish to take up with the Board of Directors the matter of the Progressive Union becoming a constituent member of the Chamber of Commerce of the United States of America, or what will probably be known later as the National Chamber of Commerce.

The president of this organization is Mr. Harry A. Wheeler, of Chicago, formerly president of the Chicago Association of Commerce, a banker of that city and a splendid type of American business man. The purpose of the National Chamber of Commerce is to nationalize the domestic and foreign commerce of this country by co-operative effort among commercial organizations, somewhat similar to the plans adopted by the British and German Chamber of Commerce. It comes at a time when New Orleans can find particular advantage in its activities.

It is the only national organization of this character which I would recommend the Progressive Union joining. The membership fee is based on one-half of one per cent of the annual revenue from dues, which makes the cost to the Progressive Union about \$150,000 per annum.

As you probably know, the Board of Trade in New Orleans has joined, and it is even more important under a civil, commercial, and industrial organization such as the Progressive Union to become affiliated with a national organization of this character.

Among other things, the National Chamber of Commerce publishes a newspaper known as The Nation's Business, devoid of advertising, but containing news and information of the best constructive work in all parts of the United States. For example I have furnished them at their request an article for each of their three issues, stipulating that the subject must be of national interest.

The first article dealt with the Pan-American Mail Steamship Line, the second with the adoption of the Commission Form of Government for New Orleans, the third (yet to be published) with the Southern States and Pan-American Exposition. The fourth will be a story concerning the terminal developments of the Texas and Pacific Railroad, which is not only national but international in its significance.

This publication, "The Nation's Business," is sent to every daily newspaper and leading trade papers in the United States, and I am informed by the editor, Mr. G. Grosvenor Dawe, whom you know, that already over one thousand editors have written asking that this publication be sent them under personal cover rather than in the usual manner of exchange mail. This very clearly manifests the interest of the editors and the definite desire they have for constructive information of this character. The majority of the progress articles from the States are not over three hundred words in length, and therefore do not take up much space and consequently are more apt to be reproduced. It is the purpose of this publication to get the newspapers of this country into the habit of using a greater quantity of constructive news. The difficulty heretofore has been that the editor has had no means of securing this information except at considerable expense. There is no question as to their welcome legitimate constructive news of this kind, and in this respect alone the National Chamber of Commerce would prove of very definite benefit to the business interests of the country.

The next convention of the National Chamber of Commerce of the United States will be held in Washington the latter part of next January, and I recommend that the Progressive Union not only take out membership, but endeavor to send to Washington, where the convention will be held, the largest possible delegation of business men. I recommend that this question be made the order of business at a special meeting of the Board of Directors to be called within the next ten days.

Yours very truly,

M. B. TREZEVANT, Secretary-Manager.

SENATE COMMITTEES

Continued from Page One.

determine, and adjudicate claims for the taking of private property and damages thereto as the result of the improvement of the Mississippi River for navigation.—Mr. Williams.

Commerce.

In this committee remain forty-six bills, mainly concerned with the establishment of aids to navigation in various rivers and along the coast. This committee has also before it S. 7738 and S. 7001, both introduced by Senator Townsend on different days, to create a coast guard by "combining therein the existing Life-saving Service and the Revenue-cutting Service." In 1913, this committee has before it the important bill, various measures proposed by proposed legislation looking toward safety at sea. These are quoted below:

S. 6976.—To regulate navigation by steam passenger vessels, to amend sections 4400, 4471, 4488, 4490; section 3 of act of July 9, 1889; section 1 of act of June 24, 1910, and for other purposes—Mr. Smith, of Michigan.

S. 6004.—To amend the laws relating to navigation—Mr. Jones.

S. 5429.—To amend the laws relating to navigation—Mr. Perkins.

S. 7208.—To amend an act entitled "An act relating to navigation of vessels, bills of lading, and to certain obligations, duties, and rights in connection with the carriage of property," approved May 18, 1893.—Mr. Nelson.

S. 7038.—To promote the safety of ocean navigation—Mr.

Influences of Panama Canal on World Commerce

Coal Stations and Prices As Affecting Canal Uses

An Elaborate Discussion of the Most Important Single Factor in Securing and Holding Canal Traffic.

The Panama Canal will reduce the expenses of ocean transportation by shortening the length of routes and by reducing the time required for voyages. Theoretically the tolls charged at Panama may be made equal to the amount of freight saved by using the canal. For most of the commerce passing through the canal the tolls levied will be much less than the money equivalent of the services rendered by the canal, but in the case of the trade to and from some portion of the world the choice of the Panama route will depend upon the tolls charged.

The two factors that will most largely influence the tonnage of traffic through the canal will be the rate of tolls and the relative costs of fuel by the Panama and alternative routes. To the extent that coal can be obtained more cheaply via the Panama Canal than along other routes the canal will assist in competing for traffic to move by more than one route and in building up the trade and industries of regions so situated that their commerce is certain to pass through the Panama Canal.

Official Coal Statistics.

The amount of coal annually consumed by ocean vessels was estimated in 1912 by the Bureau of Statistics of the Department of Commerce and Labor to be 75,000,000 tons, valued at over \$600,000,000. Some naval coaling stations are maintained by governments or military purposes, but most bunker coal is sold by merchants or companies. Some of these coal companies operate at numerous stations in many parts of the world. In a few instances steamship lines provide coal both for own use and also sale, as the Pacific Mail Steamship company at Acapulco, Mexico. The America Railroad Company, the capital stock of which is owned by the United States government, sells bunker coal at Colon and Panama, but not in large quantities.

Regular coaling stations have been established along all ocean routes. Along the older trade routes the stations are frequent, while on the newer ocean highways the stations are farther apart. At the larger stations there are often several dealers, each having depots, charvoes, lighters, and other loading facilities. Most steamship companies, even the largest ones, do not supply themselves with coal, but make an annual contract with some one dealer having coal at convenient stations located on the routes over which the company's vessels are operated. The coal dealers publish annually the prices at which they are willing to contract to supply coal needed by purchasers. The contract prices are usually somewhat below the current rates at which coal may be bought by the occasional buyer; and the annual agreements usually provide that "should the general current price or equal quality coal be lower at the time of any coaling steamer is to receive the benefit of such lower price." The contracts, moreover, are usually conclusive, in that the coal merchants agree to furnish all the coal needed and the vessel owners bind themselves to make all their purchases from the dealers with whom they are under contract.

World Coal Stations.

The cost of coal and the price at which it is sold at any particular station depend, first of all, upon the nearness or remoteness of the mines from which the supply is obtained. The stations along the Suez route obtain coal mainly from Wales, England, and Scotland. Welsh coal, however, is most largely sold. The prices are relatively high at the Suez Canal, and higher south and east of the canal. The coal prices along the Suez route do not rise strictly with increase in distance from Great Britain, but the advance in cost is roughly in accordance with distance until stations are reached at which Japanese and East Indian coal can successfully compete with Cardiff or Durham coals. At Colombo, Welsh coal must compete with that from India and Australia; at Sabang with Indian, Sumatran and Japanese coal, and at Singapore with Japanese, Indian, Australian, Latin, and Natal coal. Beyond Colombo and Singapore, Welsh coal is unimportant and Japanese and Chinese coals predominate. In Australia native Newcastle and Southern Australian coals supply the demand; in New Zealand native and Australian (Newcastle) coals are sold; in South Africa the Natal mines are the source of supply; in the lower west coast of South America coal is secured at Coronel; on the Pacific Coast of North America, British Columbia, and Washington coals are sold; and at stations on the West Indies and on the eastern seaboard of the United States the excellent coal from Pennsylvania, West Virginia, and Indiana is obtainable.

The ocean freight rates determine the distance coal can be transported to coaling stations. At some stations coal from distant sources competes with coal from relatively near points. At Paraiso, Iquique, Antofagasta, and other points on the west coast of South America, some distance from Coronel, the supply is chiefly American, Welsh, and Australian, because of low freights on vessels bound for Chile to secure cargoes of nitrate. At Montevideo, Bahia Blanca, and other points on the east coast of South America south of Brazil the supply comes from Wales.

and England, because the outbound freights from Great Britain to that section are far apart and relatively unimportant.

The relative prices at which different grades of coal are sold at any particular station are determined by the steaming qualities of the coal; and the higher prices paid for the best grades sometimes enables such coal as that from Wales to be sold at stations remote from Great Britain in competition with inferior coals obtained from near-by sources. The steaming value of different American coals is shown by the specifications under which the United States government purchases coal at various points. The specifications provide, among other items, for an agreed number of British thermal units per pound of coal. Table I shows the number of British thermal units of different run-of-mine coals offered for sale to the United States government at Atlantic and Gulf ports.

TABLE I.—KINDS OF COAL AND PRICE OF DELIVERY.

	British thermal units
Pocahontas (1909-10), Norfolk (Panama Canal)	15,400
Pocahontas (1909-10), (Panama Canal, R. R.)	15,420
Pocahontas and New River (1909-10), Boston (R. R.), Newport News (1909-10), New York (1909-10), New Haven (1909-10), Boston (1909-10), New York (1909-10), New Haven (1909-10), Philadelphia (1909-10), Boston (1909-10), New York (1909-10), New Haven (1909-10), New York (1909-10), Webster (1909-10), Philadelphia and New York (1909-10), Mobile (1909-10)	14,350
As delivered.	14,350
Bid to United States Treasury Department.	14,350

The prices at which coal is now sold to merchant vessels at Colon and Panama and at Pacific ports north of the Isthmus are high and are no indication of the prices that may be expected to prevail after the opening of the canal. The Panama Railroad Company sells Pocahontas and New River coal at Colon and Panama to merchant vessels at prices that, in most instances, yield a good profit. It will probably not be the policy of the government, should it decide to maintain coaling stations for supplying merchant vessels, to charge prices much in excess of actual costs.

DISTANCES COMPARED.

The coaling stations at San Francisco, Seattle, and Vancouver will in the future bear about the same relation to the route via the Panama Canal to the Orient that the coaling stations at or near the Suez Canal bear to the route from Europe via Suez to the Orient. Vessels leaving the Mediterranean for the East take on enough Welsh or English coal at Mediterranean stations to supply merchant vessels, to charge prices much in excess of actual costs.

TABLE II.—CALORIFIC VALUE, IN BRITISH THERMAL UNITS, OF COAL PER POUND.*

Designation of coal.	By oxygen calorimeter.	By analysis.
Alabama.	13,806-14,449	14,482-15,556
Florida.	10,084	11,000
South Carolina.	12,400	12,433
Georgia.	12,600-13,115	13,150-15,921
Maryland.	13,680-14,717	14,576-15,943
Pennsylvania.	13,163-14,849	15,98-15,990
New England.	12,473-14,938	14,967-15,991
Virginia.	11,772-15,293	13,748-14,960
Washington.	12,886-15,538	15,136-16,266
West Virginia.	9,833-8,328	5,918-8,450
Argentina Republic.	9,830-8,328	12,873-13,614
Brazil.	13,625-16,568	9,947-10,994

*Bureau of Mines, Steaming Tests of Coals, Bulletin 23, pp. 101-115. Government Printing Office, Washington, 1912.

or at the Suez Canal for the long run from Port Said to Colombo or even Singapore. Likewise a vessel leaving San Francisco or Puget Sound takes coal for the voyage across the north Pacific to Japan. The distance across the north Pacific from San Francisco to Yokohama is practically the same as the distance from Suez to Singapore. If in the future the price of coal at San Francisco or Puget Sound is as low as at Suez, or possibly lower, the use of the Panama route will be greatly aided. Vessel taking coal via the Panama Canal and Yokohama to Hongkong and Manila will be able to secure cheap coal in Japan, while vessels inbound from Europe via Suez to the Orient will

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have to pay more for coal at or near Singapore. Vessels taking the Panama route to the Pacific coast of Asia will have some advantage over vessels taking the Suez route, as regards coal costs for the latter part of their voyages, because coal is cheaper in Japan than at Singapore. Likewise for the trip homeward from the Orient, by way of the Panama Canal, the cheap coal obtainable in Japan will be to the advantage of the Panama, as compared with the Suez route.

The use of the Panama Canal by vessels engaged in the traffic between Europe and the Orient will depend very largely upon the cost of coal at Colon. The distance from Europe to China and Japan is less via Suez than via the Panama Canal, and if the American route is taken it will probably be chosen because of the cheaper coal costs. The

price of coal at St. Lucia, St. Thomas, and other stations between Europe and the Panama Canal is slightly higher than at Algiers, Oran, and other Mediterranean ports on the way to the Suez Canal. Moreover, the cost of coal at San Francisco and at Vancouver will probably range higher than at Colombo and Singapore. It thus seems evident that if the fuel expenses are less from Europe to the Orient via Panama than via Suez it will be largely because the cost of coal is lower than at Port Said.

COAL FOR LONG RUNS.

In voyages from the Atlantic seaboard of the United States to Australia and New Zealand the advantages of the Panama route as regards coal costs are of great importance. If the Panama route is chosen, vessels will have good, cheap coal from the Atlantic seaboard of the United States to the canal, where they will fill their bunkers with enough coal to make the long run from the canal to New Zealand or to Australia, in both of which countries native coal is cheap. Vessels will probably not coal between the canal and New Zealand, because the prices at Tahiti and other mid-Pacific stations will unquestionably be high and the supply of coal will probably be uncertain. Vessels taking the Cape of Good Hope route instead of the route via Panama from the United States to Australia will doubtless use American coal for the long run to Cape Town or Durban, although this will require the sacrifice of some of the ship's cargo capacity to provide space for coal. At Durban Natal coal can be gotten as low as 12 to 14s. 6d. (\$2.02 to \$3.53) per ton.

The quantity required to be taken at New York and Norfolk when clearing for Panama is small and prices are low. A ship sailing from New York to the Suez Canal can start with good inexpensive coal, but the vessel must devote more space to coal than is required on a voyage to Panama. The prices now prevailing at Mediterranean stations for Welsh or Durham coal are from 21s to 25s. 6d. (\$5.11 to \$6.34) per ton. The 1912 contract round-trip price for Welsh coal at Port Said is 25s. 6d. (\$6.21) f. o. b.

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Porto Rico's Phenomenal Development in Twelve Years

Governor Colton's Report Contains Interesting Facts

Education and Municipal Betterment Keeping Pace with Material Advancement in the Island of Porto Rico.

The twelfth annual report of the Governor of Porto Rico, transmitted to the Secretary of War on September 3, 1912, contains much of immediate interest to business America, and liberal extracts are here included. These extracts, and the accompanying diagrams show in vivid fashion the rapid improvement which is taking place in all lines within the limits of our insular possession.

The general conditions in Porto Rico during and at the close of the last fiscal year (June 30, 1912) cannot be more concisely or accurately described than by repeating the opening paragraph of the annual report for the preceding year, as follows:

"This period has been one of remarkable progress and signal achievement in both the public and private activities of the Territory. At its close a greater degree of prosperity existed among the people than at any previous time. Every industry was active and prosperous, furnishing employment for all who sought it; and the government was better equipped with legislative authority to protect the interests and insure the equal opportunities of the people than ever before."

The advance made during the year under consideration, however, has been more general, marked, and important than that of any previous twelve months in the history of the island, either before or since American occupation.

Notable Increase in Commerce.

The external commerce of the island was increased during the past year in value approximately \$14,000,000, the aggregate of the year being \$26,631,886.

more than five times as much as in 1901 and an increase of 17 per cent over 1911, which is the highest percentage of increase recorded.

Eighty-seven per cent of this trade was with the United States and 13 per cent with foreign countries. Porto Rico purchased in the mainland markets of the United States merchandise to the value of \$37,424,545, over \$2,700,000 more than during the preceding year. Of these purchases, \$31,000,000 represented manufactured goods, approximately \$5,000,000 rice and the remainder garden produce.

Purchasers of American Goods.

In importance as a purchaser of American goods the island advanced to twelfth place, its purchases of such goods having been exceeded by but eleven countries of the world. Sales of Porto Rican products in the United States, all of which would necessarily have been purchased in foreign countries had they not gone from this island, increased \$8,107,992, reaching a total of \$28,873,401. In spite of the heavy increase in purchases from the United States, imports from foreign countries, while relatively small, were the largest of record, amounting to \$5,501,928. The value of exports to foreign countries also exceeded that of any previous year and amounted to \$6,832,012, giving a total value to the foreign trade of \$26,333,940, an increase of \$3,000,000 over the foreign trade of 1911. Although the total external purchases of \$42,926,473 were, on account

1909-10 and several years preceding it. The value of coffee sold abroad during 1911-12 was \$6,754,913, furnishing one-eighth of the receipts from foreign commerce. With the prosperity attending this industry it is being extended throughout the mountains of the island, the soil and climate of which are especially adapted to the successful culture of the highest grades of coffee to be found in the world. Heretofore this product has gone principally to France and Cuba, where it is highly prized by the connoisseurs of those countries. Porto Rican coffee has never been known commercially in the United States, because, first, it commanded a ready market at the highest prevailing prices abroad, and, second, the small quantity sent to the United States has not been placed upon the market in form to be identified. If it were known that one of the finest coffees produced in the world is grown on American soil it would be appreciated by American consumers looking for the best and find a steady demand in the home market where it will not be subject to foreign tariff caprice.

Fruit Gaining Preference.

The shipment of fruit for external markets, which became of commercial importance for the first time during 1903, was increased in value during the past year to \$2,377,762. The fruits now successfully raised and profitably marketed are oranges, pineapples, and grape-fruit, which, due to their superior quality, find ready sale wherever offered in the United States. Fruit raising in Porto Rico is rapidly becoming one of the principal industries of the Territory. The producers are co-operating to secure the highest efficiency in packing and marketing. The first community packing-house was erected during the last year and is now in successful operation, giving to its patrons every expert service required from the field to the market, including picking when desired by the owner.

While as yet of comparatively small total value the production of cocoanuts is one of the most profitable industries of the island, and must greatly gain in importance as the waste lands are brought under cultivation. The value of cocoanut shipments during the past year showed a continuation of the gradual increase they have received during recent years and reached \$300,000.

Growth of Public Wealth.

In harmony with the greater business activity and enhanced values, the net revenue receipts of the government from all sources and for all purposes increased to 10 per cent over those of 1911 and aggregated \$6,665,348.55, the largest revenue collections of any one year in the history of the island. Although the extension of public services required larger disbursements, the available cash balance in the treasury was increased from \$1,214,000.07 at the beginning to \$1,794,555.49 at the close of the fiscal year, ended June 30, 1912. On that date the total net bonded indebtedness of the Territory was \$4,139,760.40, but \$3.70 per capita and 2.5 per cent of the assessed value of the property, while the per capita wealth is conservatively estimated at \$275. This is shown a remarkable increase in the public wealth and available cash resources of the government, and at the same time a considerable reduction in the public debt.

Educational System Extended.

The advance in educational work is again apparent in an increase of 10 per cent in the total school enrollment. The number of scholars enrolled in the public schools during the last year was 160,657, as against less than 26,000 for the first year of American administration, an increase of more than sixfold. During the twelve years beginning with 1901, \$11,691,349.08 have been wisely expended upon the educational system. In place of one school building in the island erected for that purpose, as was the case in 1890, there are today 1,168 of all classes well distributed

A Superior Coffee.

The coffee crop of 1912 was the largest in the history of the industry and sold at profitable prices, substantially a third higher than those of the year

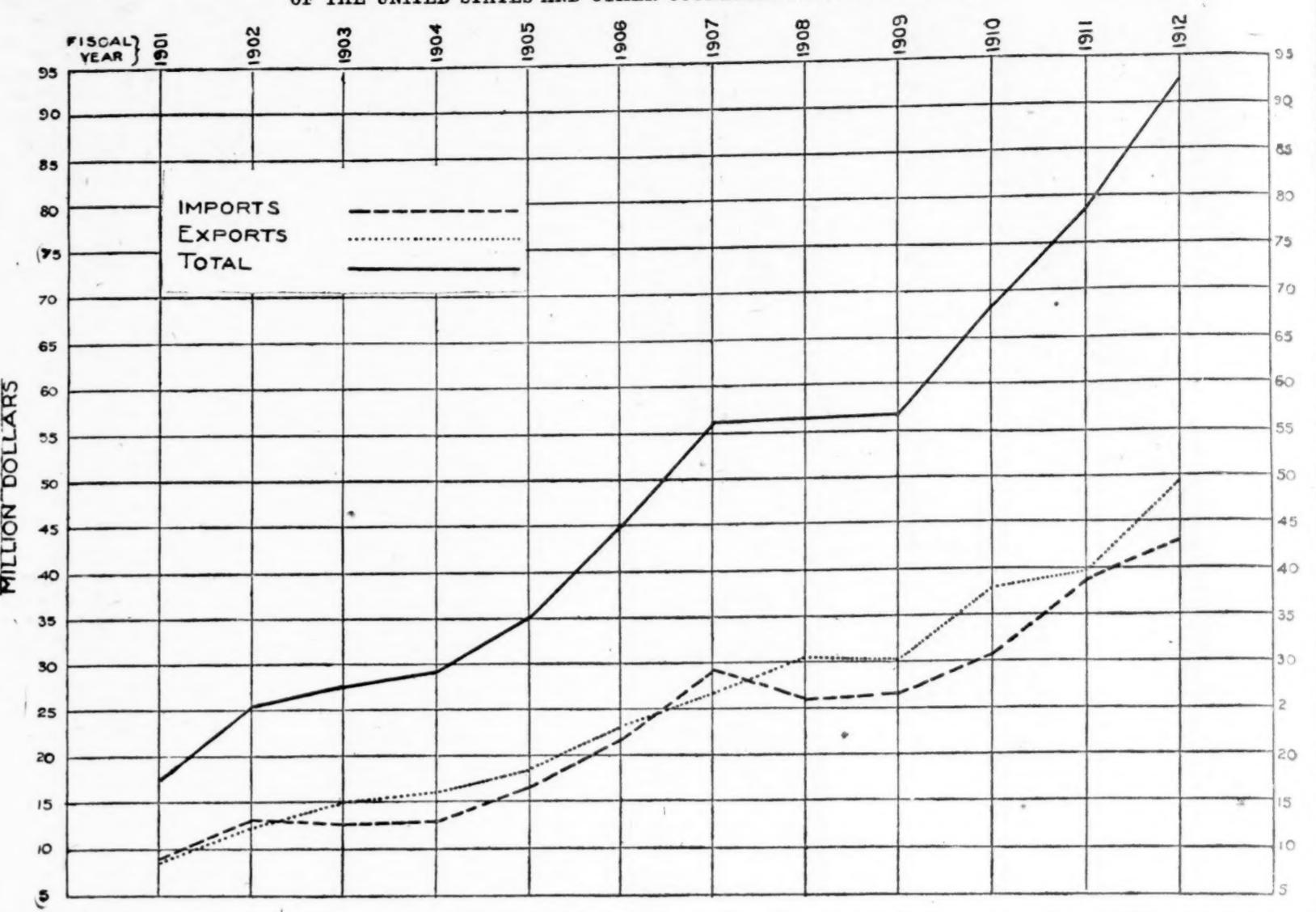
source, however, but 10 per cent, or \$162,876.71, accrued to the insular treasury, the remainder going to the support of municipal governments and school boards.

The total customs receipts, representing almost exclusively duties on imports, showed an increase of \$114,593.95, and aggregated \$1,180,502.00, the largest collections of record, again refuting the theory that the increasing trade with the United States would wipe out this source of revenue. As a matter of fact, the foreign trade, although relatively small, has gradually increased as the industries of the island have developed and will no doubt continue to be increased or diminished in accordance with the upward or downward trend of other commercial activities.

Exceptional Financial Standing.

It has been the policy of the present administration to establish and maintain a treasury reserve of \$1,000,000 with which to meet emergencies; such reserve to be invested in public improvement bonds of the various municipalities, which can always be sold at par for cash in case the money is re-

CHART SHOWING GENERAL INCREASE OF IMPORTS AND EXPORTS AND TOTAL TRADE BETWEEN PORTO RICO AND THE MAINLAND OF THE UNITED STATES AND OTHER COUNTRIES FROM 1901 TO 1912.



Years.	EXPORTS.			IMPORTS.			BALANCE.	
	To the United States.	To foreign countries.	Total.	From the United States.	From foreign countries.	Total.	In favor of the Island.	Against the Island.
1901	\$5,581,288	\$3,002,679	\$8,583,967	\$6,965,408	\$1,952,728	\$8,918,156	.....	\$3,334,100
1902	8,378,766	4,055,190	12,433,956	10,882,653	2,326,957	13,209,610	.....	7,833,450
1903	11,651,195	4,937,884	16,089,079	12,245,845	2,293,441	14,449,286	\$6,931,783	.....
1904	11,722,826	4,543,077	16,265,903	11,210,669	1,958,960	13,169,029	8,096,874	.....
1905	15,633,145	3,076,420	18,709,565	13,974,070	2,562,189	16,536,259	2,173,306	.....
1906	19,142,461	4,115,069	23,257,530	19,224,881	2,602,784	21,827,665	1,429,865	.....
1907	22,070,133	4,926,167	26,996,300	25,686,285	3,580,887	29,267,172	2,270,872	.....
1908	25,891,281	7,753,209	33,644,490	22,677,376	3,148,289	25,825,665	4,818,825	.....
1909	26,394,812	3,996,913	39,391,225	23,618,545	2,925,781	26,544,326	8,846,899	.....
1910	32,095,445	5,864,574	37,960,219	27,097,654	3,587,201	30,634,855	7,825,364	.....
1911	34,765,169	5,152,958	39,918,387	34,671,958	4,115,039	38,186,997	1,321,370	.....
1912	42,873,401	6,832,012	49,705,413	37,424,545	5,501,928	42,926,473	6,778,940	.....
Totals.....	\$255,599,862	\$54,356,152	\$309,956,014	\$245,679,289	\$36,416,184	\$282,095,473	\$31,241,236	\$3,330,881

throughout the Territory. Plans have been adopted for the development of vocational training and it is the purpose of the department to so formulate the regular courses of study as to give to each term the highest practical value.

Constructive Legislation.

In legislation much constructive work has been done and three most important things accomplished, namely: An effective, nonpartisan, sanitary service, with all the branches usually comprising such activities, has been established throughout the island, under the direct control of an independent health board, a director of service, and the executive department of the insular government; the election laws were so amended as to insure the secrecy of the ballot, to provide minority representation from each legislative district in the House of Delegates, and to require a new registration of the voters of the island; and the establishment of a bureau of labor, the duties of which are to collect and collate information upon the subject of labor, its relations to the industries of the country, hours of labor, the earnings of laboring men and women, and the means of promoting their material, social, intellectual, and moral welfare; to investigate the causes of and facts relating to such controversies and disputes between employers and employees as may occur from time to time.

Improved Municipalities.

It has been the policy of the present administration to establish and maintain a treasury reserve of \$1,000,000 with which to meet emergencies; such reserve to be invested in public improvement bonds of the various municipalities, which can always be sold at par for cash in case the money is re-

quired. The cash reserve at the close of the year exceeded the maximum fixed because of the considerable excess of repayments over advances that had not at that time been reinvested. Municipal public works, however, are now under construction or projected, that will not only absorb all available funds, but require the sale of bonds upon the market. As the total indebtedness of the island is limited by law to 7 per cent of the assessed value of its property, these bonds, which bear 4 per cent interest and are free from local taxation, furnish unusually strong security and are in constant demand by conservative investors at a good premium. In this connection the relation of the following figures and items are of interest. Assessed value of the property of the island, \$178,275,000; total indebtedness, \$41,397,600; percentage of indebtedness, 23 per cent; per capital indebtedness, \$3.70; per cent of assessed value of the island, \$208.3 in the whole of the United States; per capita wealth, \$275; value of annual external commerce, \$92,000,000, as against \$17,500,000 eleven years ago; balance of trade continuously in

favor of the island—during 1911-12, \$6,778,400; per capita ad valorem property tax, \$1.42, as against an average of \$9.22 in the whole of the United States; the average ad valorem rate of taxation in Porto Rico is but 1.22 per cent. From the standpoint of taxation Porto Rico is especially favored, central—the insular—government being substantially supported by customs and excise taxes which yield other permanent territory of the United States go to the Federal Treasury. This accounts for the exceedingly low rates of property and other internal taxes of the island.

Taxes Unpaid Small.

The amount of taxes remaining unpaid at the close of this fiscal year was even less than the small percentage unpaid June 30, 1911, and again reflects the prosperous condition of property owners in general and the efficiency of the revenue-collecting organization under the Treasury Department. At the end of last year thirteen-million-hundredths of 1 per cent of the taxes were delinquent, while at the close of this year six-million-hundredths of 1 per cent of the taxes due remained unpaid.

CHART SHOWING INCREASE IN THE VALUE OF SUGAR, CIGARS, AND COFFEE EXPORTED FROM PORTO RICO FROM 1901 TO 1912.

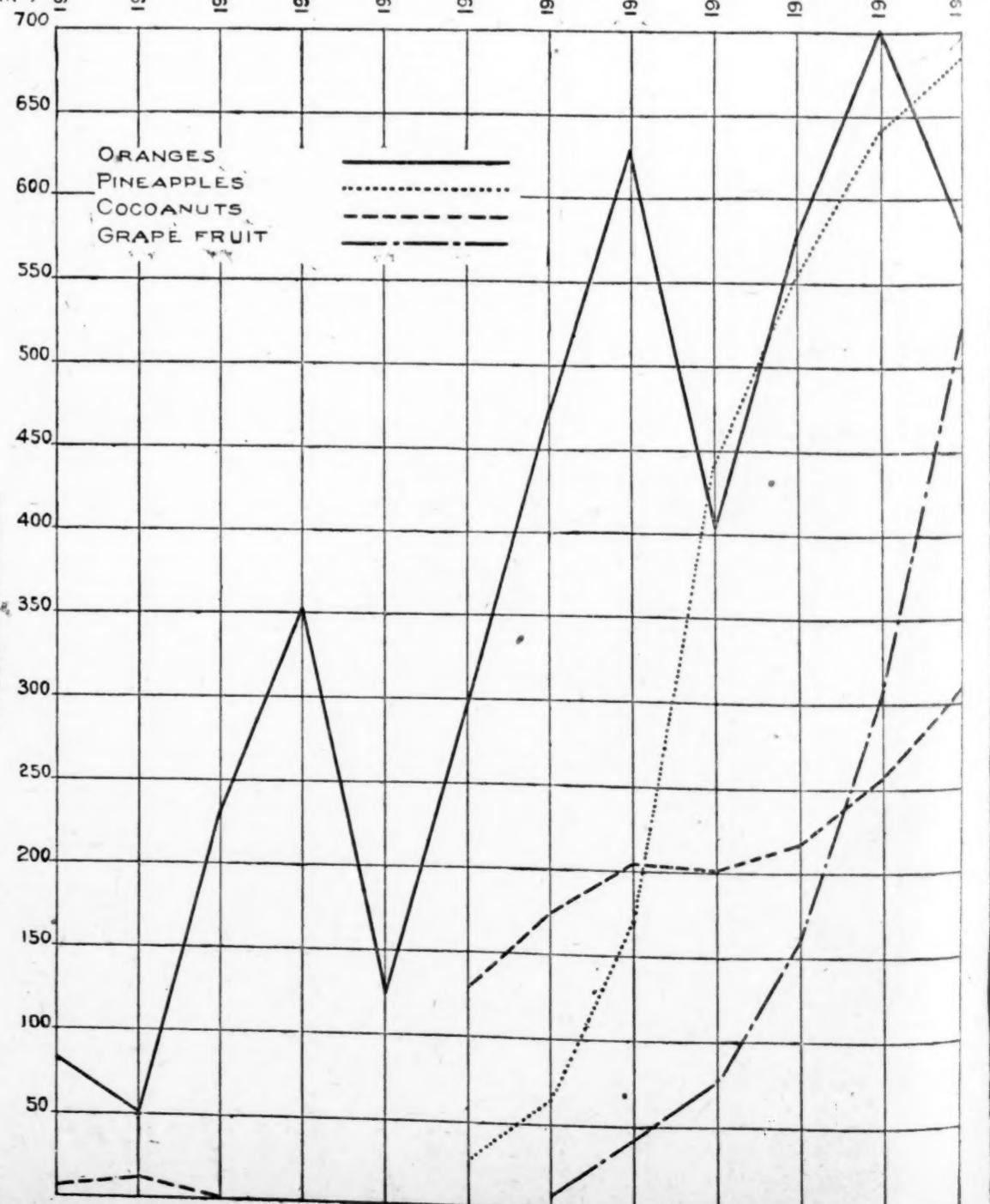


CHART SHOWING INCREASE IN THE VALUE OF SUGAR, CIGARS, AND COFFEE EXPORTED FROM PORTO RICO FROM 1901 TO 1912.

